

Declass Review by NIMA/DOD

SPEED LETTER

REPLY REQUESTED

DATE

17 FEB 69

☒ YES

☐ NO

LETTER NO.

STATINTL

TO :

NPTC

ATTN:

FROM:

OL/PD/CAS

STATINTL

STATINTL

STATINTL

Subject

The attached audit report disallows all computer costs in excess of [redacted] and gives notice that all hours over the amount permitted in the contract will also be disallowed. Please note that to prevent either of these two from occurring, we must have a request from the contractor requesting now funds and a funding advice from you transferring funds to this contract. In the event that no additional funds would be added to this contract based on this apparently unauthorized computer time and rate, we will probably still require an amendment to permit Finance to pay these items.

Aldo, please keep me informed on what [redacted] intends to do with regard to their unauthorized overrun FEB-MAY and invoice 16.

STATINTL

I don't understand which material is unrelated

STATINTL

REPLY

DATE

STATINTL

STATINTL

I discussed the need of computer time with [redacted] early in the contract. We agreed that it would be in the best interests of the government for them to use their computers on the contract. No rates nor hours were mentioned. I overlooked the fact that specific approval was required under the contract for them to use the computer. I can not find any maximum ceiling on computer time ^{in the contract}, but I will agree to the [redacted]. With regard to the unauthorized overrun, I haven't heard a thing. Under no circumstances were computer time or man hours authorized which would have exceeded the cost ceiling.

STATINTL

SIGNATURE

RETURN TO ORIGINATOR

Case No. 9-211

3 DEC 1968

MEMORANDUM FOR: Chief, Procurement Division/OL

ATTENTION : Chief, Contract Administration and Settlement Branch

STATINTL

SUBJECT : Report on Audit, Contract [REDACTED]

STATINTL

1. We have audited the subject contract from inception through 30 June 1968. The results of our audit are as follows:

Claimed	Disapproved	Provisionally Approved
[REDACTED]		

STATINTL

An explanation of cost questioned is furnished on attached Schedule No. 1.

2. No nonexpendable Government property was acquired during the period currently audited. Property considered to be nonexpendable, acquired under this contract prior to the current period has been listed in our report, audit case No. 8-312, dated 5 April 1968.

STATINTL

3. The contractor has claimed [REDACTED] of computer time in a total of [REDACTED] hours. We have disapproved [REDACTED] as billed at a rate in excess of [REDACTED] an hour authorized in the contract. The computer cost of [REDACTED] has not been questioned in this audit but, will be disapproved in the final audit unless the contracting officer approves the [REDACTED] hours of computer time.

STATINTL

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[REDACTED]

Chief

Industrial Contract Audit Division

Attachment:
Schedule No. 1

Distribution:
Orig & 1 - Addressee
1 - GCB/C&ID/OF
1 - Vital Doc
1 - Chrono
1 - Perma

STATINTL

STATINTL

ICAD/OF: [REDACTED] c/c [REDACTED]

STATINTL

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